



Girlguiding
Lancashire North West

Unit Banking and Finance

A guide to your responsibilities including bank accounts, expenses, accounts and budgeting.



About this Guide

We have produced this guide to make unit leaders aware of their responsibilities and outline Girlguiding's finance policy.

It can be difficult to manage finances and accounts at the same time as running a unit, managing your leadership team and dealing with trips, camps and holidays on top.

We have set out the main points you need to be aware of in the sections detailed on the next page and hope you find this useful.

More information can be found in the unit finances and finance policy sections on Girlguiding's website: -

<https://www.girlguiding.org.uk/information-for-volunteers/running-your-unit/finance-insurance-and-property/unit-finances/>

<https://www.girlguiding.org.uk/information-for-volunteers/policies/finance-policy/>

Guide to Unit Banking and Finance

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Cash

Cash held must be kept to a minimum and should only be withdrawn from the bank as and when needed.

All cash payments must be recorded in the accounting records. The supporting invoices, or receipts, must also be provided alongside this record.

Cash purchases must have an accompanying receipt.

Bank Accounts

All units and levels **must** have a bank account.

The bank you choose must be part of the Financial Services Compensation Scheme (FSCS) and a registered banking organisation.

A bank account should be in the name of the unit or level, as it appears on GO and in no circumstance ever in the name of an individual.

Your commissioner can insist the bank account name is changed to match the name of the unit or level, as it appears on GO.

Units with the same leadership team can share a bank account but this is discouraged as you may not be able to claim Gift Aid. Your commissioner can insist that separate accounts are opened.

If using a shared bank account, all transactions for each unit must be clearly identified so that the accounts for each unit can be kept separately and be ready for the annual review.



Bank Accounts (Continued)

Units with the same leadership team can share an account for a specific purpose, like a trip or activity that both units are fundraising for.

Units can have multiple bank accounts, but these should only be used for a specific purpose. Like as a back-up in the event of an emergency OR bank account closure, or for saving for an overseas trip. The accounts must all be in the name of the unit.

Signatories

Each bank account must have at least 3 named signatories. Of these minimum 3, ideally 2 signatories should be from within the unit. The third signatory should come from elsewhere – for example, your local guiding district or division.

Signatories shouldn't be related to, or in a relationship with, any of the other signatories.

However, if this isn't practical, for example, in a family-run unit, 1 of the 3 signatories must not be related to, or in a relationship with, the other 2 signatories.

Signatories who are related to each other, or in a relationship together must never approve the other's spending.

It's essential to inform the bank as soon as possible if any of the information held by the bank about a signatory's personal details (such as address) change.

If a signatory doesn't already have a role in Girlguiding, you should record them on GO as a unit administrator.



Signatories (Continued)

All signatories must also have a criminal record disclosure check (DBS). They need to have done Girlguiding's safer guiding training too.

Signatories must share the bank account details with all members who need them, including the leadership team and your local commissioner. Make sure to include:

- Your bank's name.
- Your account number and sort code.
- The names of your bank mandate signatories.
- Who has a debit card.
- Whether you use online banking.
- Where you keep your bank's associated documents such as cheque books.

Cheque books, debit cards, and prepaid cards must be kept secure to prevent unauthorised usage. Usernames and passwords for online banking must not be shared.

Signatories must not use a shared email address for banking communications.

Signatories cannot carry out the independent end of year financial review of the accounts they're a signatory for.

If a signatory is subject to a financial restriction, they must be removed as a signatory as soon as possible. They can be reinstated as a signatory when the financial restriction has expired.

There may be exceptional circumstances when the commissioner will need to use their authority to nominate signatories to a bank account.



Making payments

Only 2 out of the 3 signatories need to agree and authorise all payments in advance of a purchase. But only 1 signatory needs to make a payment at the point of purchase.

You must never make a payment without another signatory approving it in advance.

Signatories who are related to each other must not both authorise a payment.

A signatory cannot approve a payment to themselves.

You can use online banking and debit cards. But any transactions you make should follow your budget, and you must keep accurate records of your accounts.

Debit cards must only be used by the person whose name appears on the card and cards must never be shared, even with the leadership team.

You must never sign blank cheques.



Closure of a Unit

When a unit closes, the district or division should hold onto any money as a separate amount for 1 year in case the unit reopens.

After that, the funds should be dispersed into the district or division accounts or dealt with in line with what's in the governing constitution or trust deed. This also applies to any equipment, property or investments.

Borrowing money

Bank accounts shouldn't have an arranged overdraft. **You must never spend more money than you can afford.**

Units cannot use a district or division bank account, except temporarily, in emergency situations.

Credit cards are only allowed if you're a volunteer at HQ, country or region level.

Lending money is only allowed at district level and above. If money is lent, documentation and transparency is essential.



Dealing with money coming in promptly

You must:

- Bank any money you receive as soon as possible.
- Keep any cash in a safe place, under lock and key but not in your meeting place. If you regularly need to hold money securely, you should consider taking out additional insurance cover either by adding it to your own household policy or taking out a separate insurance cover for it.
- Keep Girlguiding funds completely separate from your own money. You must never ask a parent, another volunteer, or anyone else to pay money used for guiding purposes into your personal account.
- You must never make payments for guiding purposes from your personal account to parents, volunteers or anyone else.
- Minimise the amount of personal money you use to cover guiding expenses.

Fundraising income

You need to keep a separate record within your accounts of all money you make through fundraising, including the purpose of the fundraising, and apply all the actions above to this money.



Claiming expenses

Our volunteers should never be out of pocket. If you have costs related to your volunteer role at Girlguiding, you must always claim them back.

If you pay for something for guiding from your own money, this must have been agreed in principle by another signatory beforehand. You must claim it back using an expense form alongside receipts, travel tickets, invoices or bills.

All expenses must be approved by 2 members of the unit who aren't related to each other. The signatories also need check that all receipts are included, and the claim is correctly added up. This will help when completing your end of year accounts.

The person claiming the expenses cannot authorise their own reimbursement.

Before making a purchase which will later be claimed as an expense, you must make sure that this can be covered by the funds held by the unit or level.



Setting and following a budget

It's important to plan ahead to make sure you have enough funds to cover all your costs. Never spend more money than you can afford.

Never borrow from or lend money to your guiding accounts. This could have serious implications for both your guiding and personal finances.

Your costs could include your annual subscriptions to other levels, venue costs, activity costs and buying equipment.

You should include any costs your unit or level covers for volunteers, for example annual subscriptions, training and uniforms. Units and levels should decide whether to cover these costs and review their decision each year.

Units and levels can raise money through weekly, monthly, or termly subs, and by fundraising to cover unit or level expenses. You can also use money your unit has in savings or investments.

If you don't have money set aside to cover drops in income, you should budget to create a reserve of funds, or rainy day pot. This will make sure you have enough money to pay for costs, especially fixed costs like rent, if your member numbers suddenly drop or there are delays in parents or carers paying subs.

You may wish to create an additional reserve to allow your unit or level to take advantage of a new opportunity, like going on an international trip.



Keeping accurate accounts

You must record all money paid to you and money you spend.

You can use a method that suits you, whether that's an accounts book or the accounts pack. It is not compulsory to use the Girlguiding spreadsheet.

All units and levels should check with their local commissioner what their local accounting period is, as it may vary in different areas.

You must keep your records secure in line with our managing information policy and procedure. It's best practice to make sure your accounting records are up to date by reviewing them at least once a term.

Unit leaders must review the accounts themselves termly if they're delegated to a unit administrator who manages finances.

Unit leaders must also make sure that anyone managing unit accounts who isn't a member of the unit leadership team is registered on GO as a unit administrator, has a criminal record disclosure check (DBS) and has completed safer guiding.

Accounts for all levels should be reviewed regularly, and at least once a year, at district, division or county executive or committee meetings. You need to keep all paperwork connected with managing your accounts for 7 years following the end of each financial year.



End of year review

At the end of the financial year the trustees must finalise their accounts. This means that at a minimum you must:

- Produce an annual accounts statement.
- Produce a statement of assets and liabilities.
- Have your accounts independently reviewed.

All levels must send all this information to their local commissioner no more than 3 months after the end of their financial year.

Commissioners are responsible for making sure units in their area have their accounts reviewed once a year. The review must be carried out independently by someone outside of the unit.

Commissioners can delegate the task of making sure units are keeping their accounts up to date and providing regular support to the leaders. However, commissioners must escalate any concerns they may have.



Dealing with financial challenges quickly

It's crucial to act quickly if you think your unit or level doesn't have enough money to cover all its expenses. Or, you're having difficulty in keeping the records up-to-date, or if you're worried in any way.

At unit level you should get in touch with your local commissioner. They'll be able to support you in finding solutions and other volunteers who can help you and your unit. You can also contact volunteersupport@girlguiding.org.uk if you have any other queries.

If you suspect Girlguiding money is being misused, contact your local commissioner or Girlguiding HQ immediately at compliance@girlguiding.org.uk. They'll handle the concern in line with our managing concerns about adult volunteers policy.

Gift Aid

You can claim Gift Aid on your unit's members' subscriptions and on donations you receive, depending on His Majesty's Revenue and Customs' (HMRC) rules. You'll also need the person giving you the money to sign a Gift Aid Declaration.

We encourage all units and levels who are eligible to claim Gift Aid each year from HMRC as it's useful extra income.

Please note that claiming Gift Aid is only allowed where the parents and carers who pay the subscription also pay income tax.

